GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:2368
ANSWERED ON:03.12.2007
PROCUREMENT OF WHEAT
Gangwar Shri Santosh Kumar;Malhotra Prof. Vijay Kumar

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government proposes to formulate any scheme for procuring wheat on the lines of private companies during the ensuing wheat procurement season for the Public Distribution System and other schemes;

(b) if so, the details thereof;

(c) whether the Government proposes to permit Government agencies to buy wheat directly from market and farmers like private companies; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a) & (b): Under the existing Policy of Foodgrains Procurement, the Central Government extends price support to wheat through the Food Corporation of India (FCI) and the State Agencies. The wheat conforming to the prescribed specifications offered for sale at specified centers is bought by the public procurement agencies. The farmers have the option to sell their wheat either to FCI/State Agencies at Minimum Support Price or in the open market, as is advantageous to them.

(c) & (d): FCI and State agencies procure wheat from farmers at Minimum Support Price. The Government has permitted Food Corporation of India (FCI) for direct procurement of wheat from farmers in FCI depots during Rabi Marketing Seasons (RMS) 2006-07 and 2007-08. FCI has been further instructed to give an incentive of Rs 10 per quintal to the farmers for direct procurement of wheat in FCI depots.